

Minimum Wage Guidelines

Purpose:

The purpose of this policy guidance document is to provide guidance to the contracted vendors responsible for administering the ReHire Colorado transitional job program regarding the requirements to pay participants in the ReHire Colorado Transitional Jobs Program the applicable minimum wage.

Colorado Minimum Wage:

The Colorado Department of Labor and Employment adjusts the Colorado minimum wage related to inflation on an annual basis, per the Colorado Constitution, Article XVIII, Section 15. Minimum wage for calendar year 2014 is set at \$8.00 per hour, according to the Colorado Wage Order Number 30. This wage order regulates employers within the boundaries of Colorado in the following industries: retail and service, commercial support service, food and beverage, and health and medical (7 CCR 1103-1).

Tipped Employees:

Minimum wage for tipped employees is set at \$4.98 per hour of work as of January 1, 2014. A tipped employee is defined as, “any employee engaged in an occupation in which he or she customarily and regularly receives more than \$30.00 a month in tips. Tips include amounts designated as a “tip” by credit card customers on their charge slips.... Employer-required sharing of tips with employees who do not customarily and regularly receive tips, such as management or food preparers, or deduction of credit card processing fees from tipped employees, shall nullify allowable tip credits towards the minimum wage...”

Further guidance stipulates that, “employers of “tipped employees” must pay a cash wage of at least \$4.98 per hour if they claim a tip credit against their minimum hourly wage obligation. If an employee’s tips combined with the employer’s cash wage of at least \$4.98 per hour do not equal the minimum hourly wage, the employer must make up the difference in cash wages.”

ReHire Colorado participants are to be paid the applicable minimum wage; the provisions covering tipped employment are to be applied to ReHire Colorado participants if applicable, including the requirement that the employer of record must compensate a participant for any difference between the combination of their hourly and tip earnings, and the state’s minimum wage rate of \$8.00 per hour, should their hourly wage and tips fall short of \$8.00 per hour worked.



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